

NEW JERSEY OFFICE OF THE INSPECTOR GENERAL

Mary Jane Cooper, Inspector General

For Immediate Release:
February 3, 2010

For Further Information:
Vinnie Funelas (609) 292-8183

Inspector General Investigation Reveals Unethical Conduct by Former State Employee

Trenton – Inspector General Mary Jane Cooper today issued a report detailing possible violations of State ethics requirements by a former employee of the New Jersey Schools Development Authority (SDA). The Schools Development Authority Office of the Inspector General (SDA OIG) investigated allegations that the former SDA employee attempted to represent his new employer, an SDA project management firm (PMF), on a matter in which he had been directly involved while working at SDA.

“New Jersey’s statutes and codes are very clear,” Inspector General Cooper said. “Former State employees are expressly prohibited from representing, appearing for, or negotiating on behalf of their new employer, on any matter in which he or she was directly involved while employed by the State. In fact, there is a life-long ban on such conduct. During our investigation, we found evidence that the former SDA employee lobbied on behalf of his new employer for payment of a change order worth approximately \$600,000.”

More particularly, SDA OIG’s investigation uncovered evidence that while employed at SDA, the individual was responsible for negotiating the change order with the PMF. Before the negotiations were concluded, and without SDA management’s knowledge, the individual sought and obtained employment with the PMF. When resigning from SDA, the individual misled SDA management into believing that he was going to work for another public agency, hiding from them the truth -- that he had been hired by the PMF with whom he had been negotiating on behalf of SDA.

A few months after leaving SDA, the individual contacted employees at SDA attempting to persuade them that negotiations on the change order had been completed and that SDA should pay the additional compensation to the PMF. During the contacts, the SDA employees realized the conflict of interest; that the negotiations on the change order had not been completed; and that former employee was attempting to convince them to act improperly. They reported the former employee’s conduct to SDA management who immediately requested SDA OIG to investigate.

Inspector General Cooper has referred this matter to the State Ethics Commission and the Division of Criminal Justice.

SDA OIG consists of two attorneys who report directly to and work at the direction of the Inspector General but work exclusively on SDA-related issues.

A full version of the report is available on OIG’s web site, www.state.nj.us/oig.

###